

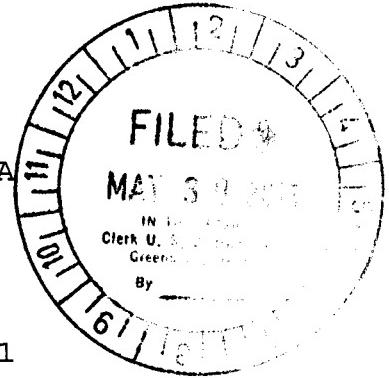
IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

UNITED STATES OF AMERICA

v.

NIKKI ANNE BREWSTER

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1:13CR 228 -1
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The Grand Jury charges:

COUNT ONE

GENERAL ALLEGATIONS

1. At all times material to this Indictment, NIKKI ANNE BREWSTER was a resident of Durham, Durham County, North Carolina.

2. At all times material to this Indictment, Nothing But Taxes, Inc., ("NBT") was a tax preparation firm with branches in various locations in the Middle District of North Carolina, including a branch located at Holloway Street in Durham, Durham County, North Carolina. At all times material to this Indictment, NIKKI ANNE BREWSTER was the manager of the Holloway Street NBT branch. At all times material to this Indictment, NIKKI ANNE BREWSTER directly and personally prepared tax returns for customers of the Holloway NBT branch.

3. From on or about January 1, 2009, continuing up to and including on or about April 15, 2011, the exact dates to the Grand Jurors unknown, in the County of Durham, in the Middle

District of North Carolina, and elsewhere, NIKKI ANNE BREWSTER and divers other persons, both known and unknown to the Grand Jurors, did devise and intend to devise a scheme and artifice to defraud the government and to obtain money from the government by means of false and fraudulent pretenses, representations, and promises, specifically by preparing and electronically filing with the Internal Revenue Service ("IRS") tax returns on behalf of NBT clients which NIKKI ANNE BREWSTER knew to be false. Such false returns prepared and filed electronically by NIKKI ANNE BREWSTER included false deductions and claimed exemptions and credits based on false dependents which the client was not entitled to claim. As a result, as NIKKI ANNE BREWSTER well knew, the fraudulent returns caused the IRS to issue inflated tax refunds to which the NBT clients were not entitled. Upon receipt of the fraudulently inflated refund, NIKKI ANNE BREWSTER claimed a large fee from the NBT clients, thus directly benefitting from and sharing in the moneys fraudulently obtained from the government.

SCHEME AND ARTIFICE

4. It was part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER and divers other persons, both known and unknown to the Grand Jurors, added false material items to tax returns prepared for clients at the NBT branch in Burlington, Alamance County, North Carolina, for the purpose of fraudulently

increasing the size of the refund returned to the client. Such false material items included, among other things, inflated tip income, false dependents, fictitious Schedule C businesses, false education credits, false Earned Income Tax Credits, and false fuel credits.

5. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER and divers other persons, both known and unknown to the Grand Jurors, offered the clients a large tax refund in return for a cash fee.

6. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER and divers other persons, both known and unknown to the Grand Jurors, unlawfully obtained the means of identifications of other people including their names, dates of birth, and Social Security numbers.

7. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER and divers other persons, both known and unknown to the Grand Jurors, used the means of identification described in paragraph 6 above to claim false dependents on tax returns prepared for NBT clients at the NBT branch located at Holloway Street, Durham, Durham County, North Carolina.

8. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER personally prepared fraudulent tax returns for NBT clients, but then signed the name of another

tax preparer at the NBT branch located at Holloway Street in Durham, Durham County, North Carolina, so as to conceal her own preparation of the fraudulent tax return.

9. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER and divers other persons, both known and unknown to the Grand Jurors, did transmit and cause to be transmitted via electronic wire communications from the NBT branch at Holloway Street, Durham, Durham County, North Carolina, the tax returns which she had fraudulently prepared. It was a further part of the scheme and artifice to defraud that the fraudulent tax returns would be transmitted first to a software company in Asheville, North Carolina, and then filed with an IRS Service Center outside of the State of North Carolina, all for the purpose of obtaining the falsely-inflated income tax refund.

10. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER and divers other persons, both known and unknown to the Grand Jurors, knew that upon processing of the fraudulent returns, the IRS would electronically transfer the fraudulently inflated refund to the NBT branch at Holloway Street Durham, Durham County, North Carolina, or that the NBT client would receive a rapid refund loan based on the fraudulently inflated refund which would then be paid to the lending bank by the government, the proceeds of which loan would

be sent to the NBT branch at Holloway Street in Durham. NBT would deduct a standard preparation fee of between \$295.00 and \$325.00 from the refund and then issue a check in the name of the NBT customer.

11. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER and divers other persons, both known and unknown to the Grand Jurors, directed that NBT clients pay her a further cash fee ranging from \$300 to \$1,500 per fraudulent return. NIKKI ANNE BREWSTER did not inform her NBT clients that the preparation fee described in paragraph 10 had already been deducted from their refund.

12. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER and others, both known and unknown to the Grand Jurors, required that NBT customers cash their refund or rapid refund loan checks and immediately pay NIKKI ANNE BREWSTER her fee for preparation of the fraudulent tax return.

13. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER and divers other persons, both known and unknown to the Grand Jurors, required that NBT clients be escorted to a bank or check-cashing business by an employee of NBT, who would collect NIKKI ANNE BREWSTER's fee from the NBT customer as soon as the refund or rapid refund loan check was

cashed. The NBT escort would then return the cash to NIKKI ANNE BREWSTER at the NBT office.

14. It was a further part of the scheme and artifice to defraud that NIKKI ANNE BREWSTER used the fees collected from the NBT clients for the preparation of fraudulent tax returns for her own purposes.

STATUTORY ALLEGATIONS

15. On or about February 8, 2011, in the County of Durham, in the Middle District of North Carolina, NIKKI ANNE BREWSTER, for the purpose of executing the aforesaid scheme and artifice to defraud, and attempting to do so, knowingly transmitted and caused to be transmitted by means of wire communications in interstate commerce from Durham County in the Middle District of North Carolina, to an IRS Service Center located outside of the State of North Carolina, certain writings, signs, signals and sounds, that is, an electronically transmitted U.S. Individual Income Tax Return, Form 1040, for a taxpayer whose initials are L.O. for calendar year 2010.

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT TWO

On or about February 8, 2011, in the County of Durham, in the Middle District of North Carolina, NIKKI ANNE BREWSTER, during and in relation to a felony enumerated in Title 18,

United States Code, 1028A(c), to wit: wire fraud, in violation of Title 18, United States Code, Section 1343, as alleged in Count One and incorporated by reference herein, knowingly possessed and used, without lawful authority, a means of identification of another person, that is, the name and Social Security number 245-43-6537 of a person whose initials are M.B.; in violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT THREE

On or about February 8, 2011, in the County of Durham, in the Middle District of North Carolina, NIKKI ANNE BREWSTER did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation under the Internal Revenue laws of a U.S. Individual Income Tax Return, Form 1040, for calendar year 2010, for a taxpayer whose initials are L.O., which was false and fraudulent as to a material matter, in that it represented that L.O. was entitled to claim a tax credit based on educational expenses of \$3,015 for L.O. and to claim a dependent whose initials are M.B., whereas, as NIKKI ANNE BREWSTER then and there well knew, L.O. did not incur education

expenses in the amounts claimed and did not have a dependent whose initials are M.B.; in violation of Title 26, United States Code, Section 7206(2).

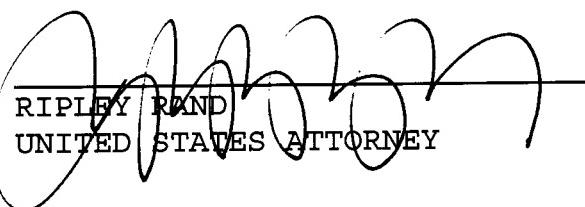
A TRUE BILL:



FRANK J. CHUT, JR.
ASSISTANT UNITED STATES ATTORNEY



JONATHAN R. MARX
TRIAL ATTORNEY



RIPLEY RAND
UNITED STATES ATTORNEY